

The departmental budget review reconvened on Monday, April 12, 2010, at 11:31 a.m., and proceeded as follows:

KAUA'I HUMANE SOCIETY

Mr. Kaneshiro: Okay, Dr. Rhoades? Good morning.

REBECCA RHOADES, DVM, Kaua'i Humane Society: Good morning, aloha, thank you all.

Mr. Kaneshiro: Okay you have the floor. You may proceed.

Dr. Rhoades: So unfortunately I couldn't get anybody else here in this quick notice, so I'm here to present on behalf of the Kaua'i Humane Society for our budget request for fiscal year 2011. And first off, I just want to say that our partnership with the county of Kaua'i is very, very important to the Kaua'i Humane Society, and I feel very important to the community. We're asking that our funding be kept the same as it was in fiscal year 10. We can't at this point accept a 5 percent decrease, which just causes our deficit to be even greater. I did get approval at our last board meeting to use approximately \$200,000 of society funds to supplement our county work. In response to the letter that was presented to you all by the mayor on what the mission or what they were looking at for fiscal year 11 was looking at creating...you know, taking the challenge of our economic times and turning it into a...an opportunity with more efficiency, more focus, and more sustainability. And I'm here to say that we've been doing that since we opened our new home in 2001. We came from that small shelter in Salt Pond and have really expanded into an animal care resource for the community, and I can testify to the fact that we are very efficient with every dollar. We're very focused on our mission, and we're more sustainable every day. And I gave you all a list. I'm hoping you all received our testimony, but I've...in leading the organization since 2001, we have looked at every opportunity to create ways to make money at the humane society for programs that are within our mission and that are also programs that weren't available on Kaua'i before to try and support the animal owning community and the animal community, everything from opening a quarantine center here for the State department of ag back in 2002, to most recently one of our newest programs for KIUC is the save our shearwaters pickup rehab and release program. But everything we do and have added on are fee based programs to help support the care of our facility, to help promote our mission, and to help share the cost of what it takes to operate that facility, which is primarily used for the county work. We're good partners.

We're good partners with our government agencies, everything from a house fire where there's pets involved, we'll respond for the fire department, to civil defense when there is a disaster and people need a place to evacuate. We're there for their pets and we can even facilitate housing people if need be, and we are on the public shelter list for a hurricane evacuation shelter, to helping the police department with something that comes up in the middle of the night if there's a...somebody that's arrested that has a dog, we pick up the dog, if there's a car crash, there's pets in the car, we pick up the pets, as well as the cockfighting bust where we picked up the birds. But we are available twenty-four/seven. We've really evaluated and we continue to evaluate our operations to see how we can save money, and we did reduce our energy use by 30 percent, and we were fortunate to be able to install a photovoltaic system.

Another thing we did that I hadn't mentioned was we did do a review of all our insurance programs, our insurances here. In the last six months we've gone out to bid and we've saved 30 percent on our insurance for the upcoming year. The big news for us that happened since I met with the mayor is that we lost our wonderful partnership with Nutro food company where we've had free pet food donated for the shelter animals since the mid-90s. It was a program that got started on O'ahu that was for all the humane societies, the four humane societies on each of the islands; we're

not affiliated, but they worked this program. Due to the economy, they pulled that program. It was the only one of its kind in the US. There's no other program like it where it was provided for free. We are negotiating with Hawai'i megacore and the Iams food company, as well as Hills & Science Diet. All four of the humane societies are negotiating together, but we know there's going to be a fee or a minimal cost; we're never going to get it for free again. We did pay shipping on all of that food prior...the previous program, but we actually got the food for free, and it was just the best deal, and we're... It's a biggie for us. That's another...that gave us about a \$30,000 value of pet food per year to feed the shelter pets, and so that's something that came very unexpected.

I think the other thing is...then I'll finish up, is just that we couldn't do what we do without volunteers; they supplement us hugely. We're always about volunteers and having...recruiting them, training them, and having them help us do our work both at the shelter, the thrift shop, in the community—really, really important. We are a core service. There's really nothing else out there for people. Veterinarians don't do our kind of work. We're public safety, we're animal welfare, we feel we are a core county service, we do need to be open daily, and we do need to have staff available twenty-four/seven. So we respectfully request that our funding be reinstated for 2011, and thank you.

Mr. Kaneshiro: Mr. Furfaro go ahead.

Mr. Furfaro: Thank you. Dr. Rhoades, I just want to make sure that I got the numbers here correct. In previous years (09 and 10), the county funded...my notes indicated \$655,617, and if that is correct, we reduced your budget by \$32,780.

Dr. Rhoades: That's the request for this year coming up?

Mr. Furfaro: Yes.

Dr. Rhoades: Yes.

Mr. Furfaro: Or 10/11.

Dr. Rhoades: Yes.

Mr. Furfaro: Okay, so if that is the case that the number that should have carried over here on this piece should have been \$623,000. Your worksheet shows us at 595.

Dr. Rhoades: That's the county money for the animal care and control services. The next line is \$60,000 that's given to us for the spay/neuter program by the county. If you put that together, it comes out to the 6...

Mr. Furfaro: 55.

Dr. Rhoades: Right, correct.

Mr. Furfaro: So your budget is showing at the 595,617 and the 60,000, your budget is showing no reduction.

Dr. Rhoades: That's correct. We're asking for no reduction.

Mr. Furfaro: And the 5 percent is what you've been in discussion with the mayor at is a change of \$32,780.

Dr. Rhoades: Correct.

Mr. Furfaro: That's what the mayor has expressed to you?

Dr. Rhoades: Yes. That's what I saw that was presented to you all in the budget was a 5 percent decrease.

Mr. Furfaro: Okay. And then the number that's actually in the county budget, I might need the finance director for a second...

Mr. Kaneshiro: It's 623.

Mr. Furfaro: Yes, but does that include the spray(sic) and neutering, Wally, or does that appear somewhere else? That's 116, okay. So the number we are chasing is the 32,700.

Dr. Rhoades: Correct.

Mr. Furfaro: I just wanted to get to that point that...

Dr. Rhoades: It's confusing. Sorry for putting it in that way.

Mr. Furfaro: Well, it's...when you compare it to PNLs, they're not often lined item exactly the same. The pet food promotion you were telling us is going to end here, that was about \$30,000?

Dr. Rhoades: Yes sir. It's been...

Mr. Furfaro: Just call me Jay.

Dr. Rhoades: Okay. Yes Jay, it's been about \$30,000 a year.

Mr. Furfaro: Okay, so that's 30K you're going to lose there. May I ask that with your board of directors, this subsidy that they transferred, it looks like it must have come from your reserve account and so forth?

Dr. Rhoades: Our operating account.

Mr. Furfaro: That's \$200,000?

Dr. Rhoades: Yes sir. Yes Jay.

Mr. Furfaro: And what other programs are not doing as well as expected that indicate that you may have to transfer that kind of money, or what programs are you providing that might be excessive compared to what you thought they were going to be?

Dr. Rhoades: Well, I think if you look at our history, we subsidize the county work an average of \$152,000 for many years, and we just went through the formal process this year to recognize that with the board. And we take it out of all of our operating, income and our expenses, to make up the difference. I think that we're flat; that's the best way I can describe it, as to how we're running now, our fees for services, nothing's really grown, and our contributions are down. More people are giving, but just smaller amounts, but we're fairly flat, and we've budgeted for next year to be fairly flat. But every year we run...we do run a deficit for the county work.

Mr. Furfaro: So that is obvious here that like many nonprofits, your contributions on the revenue line are down as well.

Dr. Rhoades: Yes.

Mr. Furfaro: And Dr. Rhoades, you have an idea, and my compliments on your reducing your electric consumption, your utilities, but in providing...on the path, and if you don't have the information maybe in the future we could get it, all of those people are pretty much volunteers that are replenishing the bags and doing work there. But what do those supplies actually cost the humane society for what you provide on the path? Do you have an idea?

Dr. Rhoades: Five dispensers that we put in on the path, we...they look like we're switching them out about once a month, there's two boxes per dispenser, so it's 10 times... It's about a hundred dollars a month.

Mr. Furfaro: So total.

Dr. Rhoades: You know, once the dispensers got put up. The dispensers were...and then we changed them to the little ones. So the supply of the bags themselves is about a hundred dollars a month.

Mr. Furfaro: And would you say another 2,000, including the stands and everything? Would that be about right?

Dr. Rhoades: To do...

Mr. Furfaro: Yeah, to do it for a 12 month period and...

Dr. Rhoades: That's probably a little high, actually. I don't think it's that much.

Mr. Furfaro: But you had to purchase the rotating bag stands the first time around.

Dr. Rhoades: Right. But I think that's a little high. And you know, depending on what happens with that, we would be happy to continue and put in more of those. We think that...we put some in at the airport where the pets come off the plane, we help stock that, it enables people to do the right thing, and I think that that's something we feel is really important, is to enable people to do the right thing, and those bags make a huge difference.

Mr. Furfaro: And then here on the program donations and so forth, do I interpret this little narrative here includes restricted funds that you are actually using other moneys right now to focus on your spray(sic) and neutering?

Dr. Rhoades: Yes, the spay and neuter program is really an important program to prevent...to save cost and to prevent more homeless pets, and we did get a bequest, and we have put that money in there to help, and we're expanding that program. The mobile...we have a mobile feline fix program that's going around the island, which is being paid for through donations and bequest moneys. The spay/neuter program at the shelter for free that we negotiated with the council many years ago, I can't tell you exactly when, we provide for low income pet owners free services at the shelter.

Mr. Furfaro: Can I assume that that difference from your planned budget to your approved budget in 2010 is about \$24,000 difference, higher, and do I relate that to the fact that you've expanded sprayed(sic) and neutering on this island?

Dr. Rhoades: Yes, and the income is coming from the bequest, if that's what you're asking me.

Mr. Furfaro: Yes. That's where I was going with that, thank you. Thank you Mr. Chair.

Mr. Kaneshiro: Go ahead Mr. Kawakami.

Mr. Kawakami: Thank you. Thank you for all the work and the services you provide for the county. A couple questions. You've touched upon them in the past, but I need to know what core services for the county will you be able to maintain with this decrease in the grant, and which ones are going to drop off.

Dr. Rhoades: If we suffer the 5 percent decrease, we'll most likely ask the county to take over the dead animal pick-ups on the public roadways. You have people on the road and we could focus on our other county services and give that up.

Mr. Kawakami: Okay, so that's the main one that we're looking at losing with the 5 percent. That being said, all the other county services are, and you should let people know exactly what you do, because a lot of people may not realize the work that you put in to the county. So why don't you go ahead and let us know what it is for the county that you provide as far as services.

Dr. Rhoades: Alright. We basically respond to requests from the public for nuisance animals, dogs and cats. We enforce the dog leash law. We enforce and we patrol for stray dogs on the island. We assist people with nuisance cats by offering them traps, and then we pickup and remove cats. We'd have to hold all the animals. The dogs...by the dog law, we have to hold the animals at the shelter for a certain number of days so that people have access to recover them if they are their pet, and then we make them available for adoption. Those that qualify as a compatible as a pet, we make available for adoption. We investigate every dog bit on the island. We enforce the dangerous dog law, the leash law, we also enforce the State animal cruelty law. We pick up dead animals on the roadway, small animals, dogs and cats. We provide...so we're the pet lost and found center for the community. We're an adoption for the homeless animals in the community. We respond to complaints of animals in the community. And we respond to emergencies regarding animals in the community twenty-four/seven.

Mr. Kawakami: Thank you. That's quite a list of services they provide, and I want to send a letter...a question over to the administration side as to how much it would be to implement from the county standpoint the dead animal pickup if it is now going to be a county function. You know, that being said, I want to thank you and the volunteers for all the services you provide, and that raises some questions that the taxpayers themselves are going to have to contemplate, and we as decision makers and holders of the purse strings are going to have to contemplate while we maneuver through these tough economic times. The tough question is are we willing to pay more? Are the taxpayers willing to pay more? And if not, if we're not willing to pay more, are we willing to live with less services. Are we going to be willing to live with less services, and what will government look like and how will we operate after the recovery of this economy. And just to give you snapshot is a reality as to what we're dealing with on the county level as far as revenue projections, revenue projected is expected to be down 8.8 million or 6.4 percent. So let's contemplate this with the 5 percent reduction in the grant funding for the county. We're expecting

revenues, and these are just projections, but it will give you a slight snapshot as to what we're kind of dealing with, is expected to be down 8.8 million or 6.4 percent from fiscal year 2010. Real property taxes, yeah, the revenues are expected to drop 9.6 percent, or roughly 8.7 million, okay. The golf course fund is down 537,000, or 25.6 percent, more than a quarter percent down. The highway fund is expected to decrease by \$900,000 of 7.5 percent. The solid waste special fund is expected to go down \$752,000, or 19.8 percent, almost 20 percent. While expenses, like health fund and related costs, are expected to increase 5 percent, or 2 million in fiscal year 11. And to top it off, if the senate version of the TAT takeaway has legs and moves forward and they cap it at the 50 percent, we're expected, yeah, to come up with another 6 million dollars. That's going to be an additional 6 million dollars on top of everything else that I just listed. So as much and as hard as it is as a decision maker to not just find the 5 percent that we took away and just give it to you and say here, we are faced with these extreme challenges and we need to be realistic as to our approach. But I want to say once again, thank you for the services you provide. I'm glad that you had an opportunity to let the people know exactly what you're doing for the county, but at the same token, you know, we sent out a memo to our workers putting them on notice for a potential two day a month furlough, which is huge, which is huge. So we have a tough job, you know. The value that you give the county, yeah, is you know, action speaks louder than words, so I want to thank you for that. But at the same time, we're strapped financially, and so for me, and I'm speaking for myself only, I'm looking at all these challenges we need to overcome, and you know, right now from where I'm standing, it's a big hurdle to climb. So no promise is being made, you know, but I also want to make a point that the 5 percent in reduction is consistent with the 5 percent that, you know, the operating budget has been cut from fiscal year 2010 also. So it's not above and beyond what we're expecting from ourselves also. So if we could just send that question over to the administration as far as what it would take, what the costs are, what the manpower is, if we need to start implementing this dead animal pickup.

Mr. Kaneshiro: Absolutely.

Mr. Kawakami: Mahalo.

Mr. Kaneshiro: Any other questions for Dr. Rhoades? Mr. Bynum.

Mr. Bynum: Hi. Do you know how many deceased animals you pick up or roughly?

Dr. Rhoades: I want to say it's like an average of 30 a month...(inaudible), one a day.

Mr. Bynum: So 3 or 400 a year. And you know, if we speculated if the county was responsible for that, who would most likely be picking up deceased animals?

Dr. Rhoades: I think it's your maintenance people, you know. I see the...it's State highways and county highways. We partner with State. We pick a lot of them up for them because we're out there anyway, but they will pick up some of them. Part of the plus to having us do it is then it gives closure for some families, because we scan them for a microchip. We contact people if we know it's their pets, and it'd be great to have that continue. If we have to give it up...plus we dispose of them at our facilities in our crematorium, and my guess would be the county would take them to the landfill versus not having to pay us to use the crematorium. It's the one thing that's not a critical animal welfare issue, and that's why when we look at our services as to what we can give up with a 5 percent decrease, we felt that the animals deceased, that's something that we could have the county do since you do have county road maintenance people on the road anyway.

Mr. Bynum: So based on your answer, regardless of whether the pickups continue, there'd be the loss of that closure and also the proper handling of the bodies.

Dr. Rhoades: Right. We did...I did when I worked on O'ahu, we actually trained. They don't do the pickup through their animal control department at the humane society. The road people pick it up, and we did train them and put scanners in all of their trucks, and then they send in a weekly report so that we could advise the public if their pet was picked up, or they would take calls as well. That's probably one of the bigger issues. Less than 20 percent of the pets, that's off the top of my head, but few of them are owned; many of them are feral cats or unowned cats. The dogs primarily have an owner, but the cats are mostly feral cats, unowned cats.

Mr. Bynum: I just appreciate that sensitivity, because for many people that pet is a member of the family.

Dr. Rhoades: Absolutely.

Mr. Bynum: Closure's an important issue, and I know the humane society will be sensitive to that. So thank you.

Dr. Rhoades: You're welcome.

Mr. Kaneshiro: Any other questions for Dr. Rhoades? Mr. Chang.

Mr. Chang: Thank you Chair. I guess maybe on an unrelated note, you can educate us. How many, sadly, pets do you have to euthanize per week or per month, and what would that in terms of cost or...what would that run, ballpark.

Dr. Rhoades: It's hard for me to just give you a ballpark number on that. The average stay of any pet at our facility is a week, that's the average stay. Adoptable dogs, we'll keep for as long as we can, months, and cats, but sadly, the cat population, most of the cats we received are unowned, feral, or don't belong to anybody, and we have sad statistics on placing cats or returning cats to owners. Less than a half percent of cats are chipped, are returned to their owner, and they don't qualify to be made available for adoption, so many of them are euthanized, by far the majority of them are euthanized. Dogs, we have a lot more success with. I would say that approximately 80 percent of the dogs we receive are either returned to their owner or adopted into a new home. But we are receiving an average of about 19 animals a day, that's what the numbers are on Kaua'i, and that's a lot of animals for our small community. That's why spay/neuter is really important.

Mr. Kaneshiro: Okay. How you doing with your efforts to get a...find a food supplier? I know... How you coming along?

Dr. Rhoades: I tried to touch base because I got an email from Wally over the weekend, and I have no news yet, but it's sounding very positive. And my guess is they will give us a shelter feeding price, and so hopefully, you know, we won't be paying \$35 for a bag of 40 pounds of dog food; hopefully we'll get something like 15...10 or \$15, but you know, that program we had was just a gold mine, and that's where we're going to be spending some. Whether it's \$30,000 worth, I'm not sure. I mean I don't think it'll be...we'll have to spend that much, but I know we're going to have to spend some minimum fees for it. And the other side of the whole pet food thing is you want to...we take... We go around the island to Costco, Kmart, WalMart, we go around and pick up bags with food all the time, but we give it away to the public for free. If you're managing a high volume of pets in our facility and we fed them different food every day, we would need a lot more labor to deal with management of diarrhea and issues related to that. You want to feed a quality food, the same

food, and it helps manage the health and care of the animals. And I know that's...when we're dealing with hard times, we're dealing with hard times, so I understand all of that, but it really saves money to feed the same food and a minimum quality of food.

Mr. Kaneshiro: Okay. Seeing no further questions, you know, I just wanted to say what Councilmember Kawakami spoke about, and we don't know until after the Leg, you know finally is completed as to where we're going to stand. But if as he indicated, there is a 50 percent cut, 50 percent cut is coming out of this budget, because it's already in there. We...the administration put in \$12million of TAT funding in here, so you see the difficulties that our committee members have also, you know. So we all try to work closely and see how we can resolve this issues, but the sad part about this is that we had to put...the administration had to put the budget together, you know, as required by law and by charter, and Leg, I not certain they'll be done by May sometime? April? Almost the end of...beginning of May, so... And we just got to be cautious until we see where we're at.

Dr. Rhoades: And we're very grateful and we appreciate that and totally understand the challenges that we all face in the county. We're a really unique partner. I think that you don't see many partners like the humane societies on all of the islands providing these government mandated services, as well as law enforcement, and we give a really good bang for the buck, and we get swept with this broad brush. But as one of the comments in my testimony, if you looked at...we're competitive with...our compensation package for our employees, what we're doing at our place, is fairly competitive as that related to other non-governmental organizations. But for every dollar you spend on us, you get a lot of service, and I totally respect and empathize with the challenges that we all face in the county, but we are asking that we be kept flat, because we understand that issue. But we are very different from the other county departments. Thank you.

Mr. Kaneshiro: Thank you. Do we have personnel here? Okay, we'll take a 5 minutes break, and then we'll... Committee, do you want to take personnel since they're on their way and we can move along with our budget review process?

Council Chair Asing: Yes.

Mr. Kaneshiro: We're on a 5-minute break.

The Kaua'i Humane Society budget review concluded at 12 Noon, and there being no objections, the meeting was in recess.